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#### TAB C

# DEPART: ENTAL FAILURES IN COORDINATION OF CIA REPORTS AND ESTIMATES

- 1. Tab C contains a series of cases which illustrate the various types of problems encountered in the implementation of the coordinating process called for by DCI 3/1 and more particularly DCI 3/2. These problems arise mainly from (1) delays caused by Agency failure to comply with the terms of the directives, especially those of para. 4b of DCI 3/1, which defines their obligations in regard to dissents and concurrences; (2) actual negation of the principles underlying the coordination process, caused by failure of Agency personnel to represent the views of their agencies; (3) the introduction of agency policy as a factor in intelligence estimates, which also negates the fundamental principles of intelligence work, let alone the coordination process.
- 2. Case No. 1, that of ORE 17-49, "The Strategic Importance of the Far East to the US and the USSR," brings out so many of the different types of coordination difficulties that it is worth while to examine it in some detail. Work on ORE 17-49 was begun in July, 1948. The finished study was disseminated in May, 1949. Even though CIA took extraordinary measures in this case to utilize agency materials and to ensure that the agencies were consulted at each step in the preparation of the paper, two agencies ultimately dissented. The Navy's "dissent," however, could not

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possibly qualify as such under the terms of DCI 3/1, but was a complaint directed at vague and undefined deficiencies of the text, with which the Navy's representative had shown himself in general agreement up to the last two conferences. State/OIR sent in a formal concurrence but later and after the paper had actually been published, reversed its stand and entered a belated dissent. This dissent, moreover, obviously was not that of the Intelligence Organization of the Department, but stemmed from the overriding views of a policy desk which apparently insisted that the intelligence, however true, must be modified to suit policies being followed in the Department. Again, this State dissent was based, when it did come in, on matters purely military in character, even though the three military agencies had no fault to find with the paper. Enclosure A and Enclosure B to Case No. 1 are offered in amplification of the above.

3. It should be stated that this is a relatively small selection of cases, many more of which could be furnished, all pointing to the same conclusions, namely that the IAC Agencies, rather than using the coordination process for the purposes for which it was intended have frequently used it in an attempt to force their own views, even to literary preferences, upon CIA.

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CASE # 1

ONE 17-49: "The Strategic Deportance of the Far East to the US and the USSR" (Published 4 May 1949)

- 1. The very long and intricate coordination of ORE 17-49 brings out, inter alia, the following points:
- a. Even though CIA took extraordinary measures (see Enc.A) in accordance with DCI 3/1 to use agency materials and to insure that the agencies were consulted at each step in the preparation of the paper, two agencies ultimately dissented. The time and effort expended in obtaining agency contributions and agreement was, in effect, wasted.
- b. Navy's dissent could not possibly qualify within the terms of DCT 3/2, para. 5. It complains (1) that ORE 17-49 "contains obscurities, apparent contradictions, and unwarranted presumptions regarding US plans and policies" (none of these being in any way identified) "to the end that the reader is required to evolve his own analysis of the situation in order to reach a sound appraisal of the strategic importance of the Far Fast," (an obviously difficult allegation to prove in any case, which is offered quite without proof); and (2) that the Summary is "inchoate" and inadequate—another allegation for which no proof is offered.
- c. Even after its concurrence had been given and the paper had already been published, the State Department felt justified in reversing its stand and entering a belated dissent.
- d. State's dissent arose, furthermore, not from any disagreement with the truth or soundness of the intelligence involved, but from the

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e. Despite the recommendations in DCI 3/2, para. 4 & State's dissent on ORE 17-49 attacked purely military estimates even though the three military intelligence agencies had found no fault with them.

2. Enc. A "B/FE Progress Report and Work Sheets on the Production of ORE 17-49"; and Enc. B "Chronology of Coordination of ORE 17-49 after the Final Coordination Meetings of 13 and 14 April" are offered in amplification of the above.

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Enclosure A to Case # 1

Work Sheets on ORE 17-49

Only one copy of Enclosure A was prepared and is atteched to copy # 1 of the report.

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Enclosure B to Case # 1

"Chronology of Coordination of ORE 17-49 After the Final Coordination Meetings of 13 and 14 April"

- 18 April 49 Revised draft forwarded for formal concurrence or dissent.
- 22 April 49 Army concurred.
- 27 April 49 Air Force concurred.
- 28 April 49 Dissented (Navy).
- 29 April 49 State concurred (later stated to have been issued inadvertiently) \*\*
- 27 May 49 State dissented.
- \* 17-27 May 19 State stated OIR concurrence was inadvertent.

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CASE # 2

- ORE 69: "Possible Consequences of Communist Control of Greece in the Absence of US Counteraction" (Published 9 February 1948)
- 1. ORE 69 (dated 9 February 1948) was coordinated with difficulty (See Enc. A) and received unqualified agreement from no Agency because it was built upon an assumption, and no Agency would accept the validity of the assumption. Inasmuch as (a) ORE had no choice in the matter of the assumption, it having been specified by the NSC, and (b) the assumption was a necessary premise in any study which hoped to arrive at the facts wanted by the Security Council, the complaints and dissents were futile and irrelevant.
- 2. The Army concurrence was on the "military aspects of the paper only. No comment on the political aspects of the paper is submitted."

  The Air Force approved only, "those portions of paragraphs 3 and 4 which refer to air capabilities." Air Force was not, however, "in complete accord with the over-all consideration of political, economic, and psychological repercussions attendent (sic) upon eventuation of the situation specified. Since CIA is unable to prejudge the US reactions, this estimate is stated to be produced on the single hypothesis that the status quo will continue in this regard. This, obviously, is but one of many possible reactions." Navy stated in its dissent: "ONI does not consider it feasible to compound the lack of realism of the assumption (see p. 2, par. 2) with a detailed forecast of events to happen over a wide portion of the earth." The State Department, after a long period of indecision, declined to concur or dissent; undertaking instead to "disassociate" itself from the paper. The reason for State's

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"disassociation" was given as follows: "...the assumption that the United States would take no specific counteraction in the event that the 'Markos Government' gained control of Greece furnishes, if unqualified, no feasible basis for a sound analysis of the consequences of such control."

It is again emphasized that this example of "problem fighting" arose in connection with a paper on which CIA was obliged to use the assumption presumably because the NSC wished to know what would happen "in absence of US Counteraction" not what would happen in the presence of it. The Agencies were aware of this. Actually, their criticism was directed at the NSC.

3. With respect to this paper, attention is also called to certain specific items in the Navy dissent: (a) "The conclusions are not examined with reference to time giving the impression that these events are inevitable and will occur forthwith." (Since the paper is totally hypothetical (if a Markos Government should be established; if the US should employ no counteraction—the one unlikely; the other virtually unthink—able) an intelligent reader could hardly suppose that the utterly hypothetical events which would probably occur if the hypotheses became actualities were set forth as certainties. (b) "It is doubted that the psychological and political repercussions would be so disastrous as to bring on international panic." (The paper does not say "would"; it says "could" which is quite a different thing. "Tran and Kurdish area of Iraq could possibly fall under Soviet domination but not necessarily as a result of Communist control in Greece." This statement

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is undeniable, but it is hopelessly irrelevant because ORE 69 is not discussing the fate of these countries in general but only what would happen to them under the assumed circumstances.

It is further pointed out that the above comments, even though they had been relevant, would have been superfluous in view of the fact that ONI, having rejected the assumption, had simultaneously rejected any conclusions to be drawn from it.

4. Enc. A contains a chronology on ccordination of ORE 69.

#### Enclosure A to Case # 2

### OFF 59: "Possible Consequences of Communist Control of Greece in the Absence of US Counteraction"

National Security Council Staff (NECS) Directive received	19 January 1948
with deadline of 2 February for an uncoordinated paper.	
Global Survey Group draft (coordinated within ORE) received	27
by Estimates Group and returned with comment.	
Uncoordinated paper to NSCS.	28
Paper sent to State, Army, Navy, and Air Force for coordina-	28
tion with deadline set for 2 February.	
Draft to OCD.	29
Request received by ONI for one day postponement of dead-	2 February 1948
line.	
Air Force concurs with air aspects of paper and submits	3
comments on other parts of paper.	
Army concurs in military aspects of paper only. No comment	3
on the political aspects of paper submitted.	
Nevy dissent received	3
Revised draft sent to State	3
Coordination paper to NSCS.	3
Report to Reproduction.	Į‡
Galley proofs received by Estimates Group and returned	5
to Reproduction.	
State dissent received.	5
Page proof read at Reproduction by Estimates Group.	6

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Final	report proof	received and	returned. 9
Report	t disseminate	i.	10

CASE # 3

ORE 38-48: "Possible Developments from the Palestine Truce" (Published 27 July 1948)

- 1. ONI seriously obstructed coordination of ORE 38-48. At a conference held to discuss the paper the ONI representative concurred.

  Later ORE was informed that the Navy Department dissented as it would not accept an assumption in Enclosure C which stated "the ultimate objective of Soviet policy vis-a-vis the Middle East is the assumption of the dominant role in the area." (italics ours) Their contention was that the "ultimate objective" of the USSR was the domination of the world, an assumption with which ORE agreed but which had nothing to do with the paper. After several attempts had been made to point out to the Navy that this was a paper on the Middle Fast and after a final conference attended by two Navy Department representatives, the ONI dissent was withdrawn.
- 2. This paper was an extremely rushed job. The Secretary of Defense requested it at 1000, 21 July, and the finished paper, including a map, was in the hands of the Director, CIA, at 1645 the same day.
- 3. A conference was held on 23 July with all intelligence agencies represented, and concurrence was obtained. The Navy Department objections were telephoned to ORE on 26 July and straightened out that day. Meanwhile the paper had been at the printer's and was published 27 July.

CASE # 4

SR-13: "Arab States" (In preparation)

- 1. SR-13 will probably be published on or about 1 October but could as well have come out much sooner had it not been for the delays unnecessarily interposed by OIR. The fundamental reason, furthermore, for most of the delay arose from utter refusal on the part of State analysts to understand what a Situation Report is.
- 2. Between 16 May when SR-13 was sent out, and 11 August when final concurrences were in, OHE was involved in five separate conferences with OIR. The underlying cause of such extensive negotiation was the insistence of State analysts that a Situation Report as such, neither could be nor ought to be written. It was pointed out in vain that OHE is committed to writing Situation Reports in a predetermined form and that objection to the form as such is hardly an agency responsibility in coordination. It was nevertheless persistently the basis of OIR's criticisms that intelligence ought not to be written in the SR formfor example, that SR-13 attempted to cover the history of Egypt in five paragraphs and that it is impossible to cover the history of Egypt in five paragraphs. OIR analysts still held to such a view when it was pointed out that although the history of Egypt certainly cannot be covered in such a short space, the limited historical background needed for the purposes of a Situation Report can be so compressed. Desertation de la contraction de la contraction

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Futile argument along these general lines continued from 9 June to 5 July when the Chief, DRN/OIR, overruled his analysts on the point.

One week thereafter, State concurrence was received.

CASE # 5	

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SR-30 (In preparation)

- 1. The coordination of SR-30 (begun ZI July 1949 and still unfinished as of this writing, 30 September 1949) has been delayed primarily through failure of OIR personnel to understand, or at least to work within, the rules and principles governing inter-agency coordination of intelligence. Though even "normal" coordination renders it impossible to publish a situation report which is even reasonably up to date, an extra two months: delay can render a report virtually useless. Furthermore, the time lag usually compels further revision which means further delay. The viciousness of the circle is obvious.
- 2. The following chronology demonstrates the delays that occurred after the final draft was circulated for comment, and indicates the reasons for the delay (See especially events recorded for 7 September).
- 7/21/49 Draft sent to IAC agencies for comments deadline 8 August.
- 7/28 State asked for extension to August 18 (analyst on leave).

  Granted.
- 8/10 ONI and Air comments received.
- 8/11 Army comments received.
- 8/23 Additional Navy comments received.
- 8/23 State's comments on Economic Section received.
- 8/24 State asked for extension to 31 August on remainder.
- 9/7 Comments received from State on Summary and part of Chapter I.

  These comments entailed about 30 pp. of comment on about 35 pp.

of text, clear evidence in itself that OIR, rather than furnishing comments as outlined in DCI 3/2, was endeavoring to rewrite the paper according to its own tastes. Many of the comments were captious; or purely editorial.

The same day, ORE received a call from OIR (Coordinator's Office) explaining that the analysts working on SR-30 declined to work further on the paper, although their comments on Chapter I were not complete and nothing had been done on Chapter III. Their reason seemed to lie in the theory that they should not be called upon to put out so much time on a report which they did not like; but it is quite evident that if they had performed the function they were called upon to perform under DCI 3/2, no such incursion on their time would have been necessary.

- 9/12 CIA called State to ascertain what progress, if any, was being made on remainder of Chapter I (Political) and Chapter III (Foreign Affairs). OIR (Coordinator's Office) agreed to try to obtain comments on these.
- 9/20 State's comments still not complete and ORE work on SR-30 being delayed on this account.
- 9/22 CIA called State again. OIR Coordinator advised that analysts had strict orders to expedite completion of comments.
- 9/26 OIR called to advise that comments were ready (seven weeks late).
- 9/27 Written comments received (15 pages).

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This Situation Report will be submitted to the IAC Agencies for formal concurrence or dissent upon the completion of revisions resulting from Agency comments.

CASE # 6	
SR-31	(In preparation)

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- 1. The principal points brought out in coordination of SR-31 (Portugal) were:
- g. Dissents on very minor points were offered by State, not because the validity of the intelligence was challenged, but merely because publication of the facts was considered objectionable on grounds of policy.
- b. Because ORE could not force compliance with coordination requests, a potential situation was demonstrated in which coordination could become impossible.
- 2. On 26 July 1949 an inter-agency coordination meeting was held on SR-31 (which had already been circulated in draft for comment) for the purpose of considering a number of objections raised by OIR. The other agencies had already concurred. At the end of the meeting, all representatives, including those of State, were in apparent agreement with the corrected paper, which was duly circulated on 24 August 1949 with a memorandum asking for "concurrence or substantial dissent." On 12 September 1949, seven weeks after the coordination meeting, and three days after the deadline set for final concurrence or dissent, ORE received a telephone call from State saying that the OIR analyst (the same who had attended the coordination meeting) had some more points to "iron out" with CIA. These points proved to be a scattering of very minor suggestions, and a request for two deletions. State expressed itself as determined to

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dissent unless the deletions were made.

The reason for State's adamant stand on the deletions was evidently attributable to the State Policy Desk which apparently did not dispute the points to be deleted but feared the consequences of disseminating them to its own personnel whose security apparently could not be trusted. (Since the deletions in no way changed the purport of the estimate, CIA in this case accepted them.)

3. Aside from the questionable practice outlined above, it should be pointed out that under the terms of DCI 3/1 coordination may easily become a sort of unending farce if further comments are offered after assumed final agreement has been reached. If, as happened in the case of SR-31 and has happened in the case of other papers, one or more agencies request changes after general agreement has been reached, CIA is faced with the alternatives of refusing to accept them or of circulating the paper once more in order to assure itself that the new changes will be acceptable to the parties not aware of them. Inasmuch as a recirculation of this sort will almost certainly induce one or more previously satisfied agencies to recant and suggest further changes which, if accepted, will have to be recirculated; and because the passage of time will probably require modification of some portions of the report, it can be seen that the whole process, in theory at least, can end in utter futility.

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CASE # 7	
ORE 83-49: "Current Situation in (In preparation)	25X6
l. This very minor point is offered only because it illustrates an	
approach to intelligence which ORE has found typical of OIR in general,	
whose effect varies from mild annoyance and waste of time, as demon-	
strated below, to considerable delays and serious wastes of man hours	
in other instances.	
2. At a meeting on 28 September 1949, ORE 83-49 was discussed by re-	
presentatives of all agencies. The paper stated, "The standard of	
living thus maintained is above that which	25X6
economic potentialcan support." This was the opinion of CIA, the	
military agencies, and the An unqualified	25X6
statement even on an obvious fact was, however, too strong for the	
OIR man who thought it dangerous and unscholarly to make such an	
assertion. "Is" in the above sentence was therefore changed to "appears	

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to be." Examples of this kind could be added at great length.

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IM-219 (Revised) "Soviet Intentions in (Dated 22 September 1949) 25X6

Lo The coordination of IM-219 was carried on under the pressure of an extremely short deadline requiring the complete cooperation of all of the IAC agencies. The tactics of the Air Force, complicated apparently by its own internal machinery, made it difficult to deliver a coordinated paper within the time required and without a resort to the application of paragraph 3 f of DCI 3/1 which permits the omission of overdue agency comments where a definite deadline must be met. Only the persistent effort and pressure of ORE in obtaining Air comments prevented the exclusion of Air Force comments and the delivery of the paper in the time rep quired. The many minor details enumerated below illustrate the practical difficulties encountered in coordination resulting from unforeshadowed dissents and the slow motion of the Air Force in making and delivering final decisions.

2. At the request of the National Security Council an Intelligence
Memorandum concerning Soviet intentions in Austria was delivered on
16 September 1949. Late in the afternoon of 20 September, an urgent
request was received via the Chief, ICAPS, for a fully coordinated version
of the IM, to be delivered on Monday, 26 September, in other words, within
three working days. This situation was immediately explained to the IAC
agencies which agreed to send representatives for discussion of the paper
on 22 September and to submit final concurrence or dissent by 1200 on
23 September. At the end of the meeting all representatives expressed

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their agreement with the paper as very mildly changed, and had no further comments to make. The ORE chairman of the meeting, realizing the problems that last-minute reversals on a paper so urgent as this would entail, made it a special point to assure himself that no representative had any intention of dissenting or of offering last-minute comments.

On 23 September at 0940 OHE received a telephone call from the Air Force requesting that two changes be made which had not been suggested at the coordination meeting. Neither of these changes had been anticipated by the Air Force representative but were proposed when the paper was reviewed by his superiors. One of these involved changing the words "probably calculates" to "may calculate"; while the other called for deletion of the words "and would involve an undesired risk of war" in a sentence reading: "The USSR probably calculates that Soviet-Satellite supported intrusions on sovereignty would be countered by strong Western action and would involve an windesired risk of war. ORE declined to accept these changes, first because substitution of "may" for "probably" made no difference whatever, while the only effect of the second change would have been to cause the reader to gather the deleted idea through inference. Furthermore, had the changes been accepted, the result would have been further conferences with State, Navy, and Army which were preparing concurrences on IM-219 as revised and agreed upon the previous day. Air Force, at this point, announced that it would dissent.

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It was pointed out that time was growing short and that One must have the Air Force dissent very soon in order to use it. There followed a number of telephone calls in which ORE endeavored to discover when the dissent would be delivered in order that the mechanical processes of preparing the paper might proceed. ORE was put off in each case. One reason given, for example, was that nothing could be done without the approval of a certain Colonel and that he was tied up in an "important meeting." It seemed at the time that the meeting must be extremely important to take precedence over the demands of the National Security Council. At 1515 Air called to say that the responsible officers had finally given up the dissent and would concur with comment.

At about 1715, the Acting Chief of G/SI received a call from Air saying that the concurrence was about to be delivered; he agreed to wait and receive it. The "concurrence with comment," however, read: "concurs, subject to the following comments." When informed on Monday morning that conditional concurrences are unacceptable under the terms of DCI 3/2, Air Force explained that it did not intend the concurrence to be conditional.

TM-219 (Revised) was then published, carrying an Air Force concurrence.

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CASE #9

IM-202R: "Review of CIA Estimate ORE 60-48: Threats to the Security of the United States" (Published 28 September 1948)
(Dated 9 August 1949)

- 1. IM-202 was requested by the JIG as a coordinated Intelligence Memorandum which would revise ORE 60-48 ("Threats to the Security of the United States") in accordance with subsequent events. It would seem clear from ORE's experience with IM-202 that no true coordination can exist so long as one set of Agency personnel, in apparent ignorance of attitudes in echelons above them, carry on the negotiations, while another set makes the final decisions.
- 2. The paper was completed within ORE and was circulated for concurrence in the belief, which seemed reasonable, that general agreement could be easily obtained. ORE learned, however, that the Departments of Army and of the Air Force had objections to the draft. An ORE representative then held a conference with officers on the highest level he could reach in these two departments, at the end of which both appeared to be satisfied with the negotiated paper. The final result in both cases was an official dissent, each on entirely different grounds and neither reflecting any points of view foreshadowed in the above-mentioned conference.

CASE #10

OHE 69-h9 "Relative US Security Interest in the European-Mediterranean Area and the Far East" (Published 12 September 1949)

- 1. Air Force representatives with whom this paper was discussed seemed to be satisfied with it and are believed to have sent forward a recommendation for concurrence. After a delay of more than three weeks, however, the Air Force turned in an elaborate dissent.

The attitude of the Air Force seemed to be, both from the terms of

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CASE #11

- ORE 72-49 "Vulnerability of a Communist Government of China to External and Internal Pressures" (Not published; revision in preparation)
- 1. ORE 72-49 was prepared with elaborate coordination and collaboration with the IAC agencies. On the day before the deadline set for concurrence or dissent the Chief of B/FE was personally assured that each IAC agency would concur in the report. It is reported that the working levels of both the Navy and the Air Force tried to obtain concurrences from their respective "front offices" but were not successful. Both agencies submitted substantial and basic dissents in spite of the fact that there were no points of issue remaining on the working level.
- 2. The following chronology illustrates the extent to which the agencies were consulted in the preparation of this paper.
- 30 June 1949 Informal IAC meeting held to discuss outline
- 1 July 1949 Contributions submitted by Army, Navy, and Air on Sec. V C
- 8 July 1949 Hound table discussion with IAC
- 9 July 1949 0900 submitted paper to G/SI with changes therein discussed on 8 July
- 11 July 1949 Paper sent to Policy Planning Staff of Dept of State and IAC agencies
- 14 July 1949 IAC conference held paper again revised
- 22 July 1949 Paper forwarded IAC for formal concurrence or dissent by 29 July
- 5 Aug. 1949 ONI dissented
- 4 Aug. 1949 Air Force dissented
  - State concurred
  - Army concurred
- 3. ORE 72-49 was not published in its original form.

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CASE #12

ORE 22-48: "Possibility of Direct Soviet Military Action during 1948-49" (Published 2 April 1948)

- 1. Off 22-48 was prepared and agreed to by a joint ad hoc committee on which the Air Force was represented. It was published on 2 April 1948 with a statement that the Air Force had concurred. In a memorandum bearing the same date as that of publication of the estimate, the Director of Air Force Intelligence stated that he did not concur, his reasons having to do chiefly with American inability, with our "Occidental approach," to fathom the curious paradoxes of "Oriental" (Russian) logic. A copy of this Air Force dissent was stapled in "ditto" to the published document.
- 2. A memorandum fully covering the circumstances underlying the preparation and coordination of ORE 22-48, dated 23 December 1948, was sent to the Director of Central Intelligence. A copy is appended as Enc.A.

Enclosure A to Case # 12

23 Necember 1948

MEMORANDUM FOR: THE DIRECTOR OF CENTRAL INTELLIGENCE

SUBJECT: CIA Relations with the Air Force on Estimates of Soviet Intentions.

- 1. My understanding of the origin of the March "war scare" is that General Clay wrote a letter to the Secretary of War in which he stated that although he had no specific evidence to support his position he had a distinct "feeling" that the USSR might resort to military action in the near future. I never saw Gen. Clay's letter.
- 2. After this letter was discussed in the Department of the Army, as I understand it, General Chamberlain called a meeting of the Directors of the IAC Agencies to discuss the situation. At this meeting, after considerable general discussion, it was decided to appoint an ad hoc working committee representing all the IAC Agencies to make a quick reassessment of Soviet intentions for the next 60 day period and report back to the Directors of the agencies.
- 3. I was appointed chairman of this ad hoc committee. Within a few days this committee submitted a report to a second meeting of the Directors of the IAC Agencies. The Directors did not accept the full report but decided instead to submit to the President, and to publish as a CIA Special Evaluation, a short three paragraph statement under the title, "Reassessment of Soviet Intentions for the Next 60 Bays", dated 16 March 1948.
- 4. The ad hoc committee continued its studies and subsequently published three additional estimates as follows:
  - 1. "Possibility of Direct Soviet Military Action During 1948", (ORE 22-48), 2 April 1948.
  - "The Strategic Value to the USSR of the Conquest of Western Europe and the Near East (to Cairo) Prior to 1950" (ORE 58-48), 30 July 1948.
  - 3. "Appendices to ORE 58-48", 27 October 1948. (Nos. 2 and 3 were under the code name Project 50)
  - 5. In September the ad hoc committee was reassembled to review

ORE 22-48, "Possibility of Direct Soviet Military Action During 1948", and to extend the period under review to the end of 1949. This was published on 16 September 1948 as ORE 22-48 (Addendum).

- 6. The following procedures were followed in the preparation of the above estimates:
- a. The paper submitted to the second meeting of the Directors of the IAC Agencies was based upon a draft which I had submitted for the consideration of the members of the ad hoc committee.
- b. In the preparation of ORE 22-48, "The Possibility of Direct Soviet Military Action During 1948", the representative of each agency on the ad hoc committee submitted a draft. I then prepared a new draft on the basis of the submissions, which, after review and amendments by the committee, was accepted as the final paper.
- c. The basic work on ORE 58-48 (Project 50) was prepared by four interdepartmental subcommittees which studied, respectively, the military, economic, political and scientific aspects of the problem. On the basis of these four subcommittee studies, I draft the paper which, after consideration and amendments by the committee, was published as ORE 58-48. The subcommittee reports were subsequently published as Appendices to ORE 58-48.

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- d. The draft for ORE 22-48 (Addendum) was prepared by of CIA after the ad hoc committee had discussed ORE 22-48 and agreed upon the changes which it considered necessary.
- 7. As already indicated, these estimates have all been published and distributed to the authorized recipients of CIA studies. You will recall that after ORE 22-48 was in print, General MacDonald, Director of Intelligence, USAF, submitted an elaborate comment, which amounted to a dissent, and, which was attached in dittoed form to the published paper. The Office of Naval Intelligence also made a minor modification in the conclusions. You may recall also that you had authorized publication of this study without resubmission to the Directors of the Intelligence Agencies. ORE 58-48 (Project 50) included, as Enclosure B to the report, an elaborate dissent by the Intelligence Organization of the Department of the Air Force. This dissent represented the opinion of the Director of the Air Force Intelligence Organization and was prepared after the original paper had been agreed to by the Air Force working members and after changes had been incorporated which the Air Force members had anticipated would meet the objections of the Director.
- 8. To my knowledge, ORE has never seen during this period any Air Force estimate on Soviet intentions except the preliminary draft submitted, along with those of the representatives of the other agencies,

for the preparation of ORE 22-48. We have certainly never seen any Air Force estimate that could be described as likely to involve this country in war nor did we see any estimate on Soviet intentions to attack Scandinavia as reported by It is quite true, however, that at the time of the preparation of the 60 day estimate for the second meeting of the IAC Directors and of ORE 22-48, the Air Force elements were far more alarmist than any of the others and would probably have preferred that the possibility of Soviet military action be more strongly emphasized.
9. During a number of interviews with representatives of the Hoover and the Dulles-Jackson Committees, I made the following comments with reference to the necessity for an independent, top level agency such as CIA to make intelligence appreciations and estimates for the policy makers of the Government.

- a. I stated that it was virtually impossible under present circumstances to get a completely objective intelligence estimate from the Service departments, as they were unable to free themselves from the influences of departmental policy and budgetary interests.
- b. As illustrative of this point, I told the committee representatives that in the preparation of ORE 22-48, the G-2 representative had stated that General Chamberlain wanted to have included in the estimate a recommendation for the draft and universal military training, which I emphatically refused to consider. I also told them that the Air Force was far more alarmist than the rest of the committee members and that everyone noted a marked change in their attitude after the 70 Group Air Force had been obtained. I may also have made reference to the fact that it was frequently the tendency of the military departments too readily to translate capabilities into intentions without giving due weight to the wide range of political, economic and psychological considerations that enter into the decision of any nation in resorting to military action.
- 10. I have very strong convictions concerning the points made in 9 above, which are applicable to the State Department as well as to the military Services, and I would be prepared to restate these views under any circumstances.

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SR-17 (Published 30 November 1948)

CASE #13

- 1. It is believed that this report was held up approximately one month primarily because the Latin American policy desk in State would not allow OIR to concur in valid intelligence for fear that it would be misused by personnel receiving it.
- 2. On 30 September 1948, the date set for Agency comments on the report. informal State comments were received by ORE on the basis of which several changes were made. At a later conference lasting one hour and a half, a slightly different set of comments was discussed between ORE and OIR. At the end of this conference, it was believed that concurrence would be forthcoming, and in fact it did come on 15 October. It had no sooner been received, however, than a telephone call from OIR informed ORE that the concurrence should be disregarded and that a dissent would follow. On 25 October, an OIR representative discussed the text of the proposed dissent with ORE. Later in the week, another conference was arranged which lasted three hours and a half and resulted in a formal dissent, dated h November - more than a month after the original deadline. 3. Some aspects of this dissent were interesting. In its draft, CIA had lying just beyond the zone of effective US stated, in effect, power, could act more independently in matters of foreign policy than those countries lying within this zone, a statement which implied that these countries were not "independent," OIR had evidently consulted the policy

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desk and had been told to dissent on any statement that implied Latin

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American dependence on US policy. Presumably no one in State was unaware of the truth of the general statement, but State evidently feared the effect on US-Latin American relations if this thesis were publicly circulated in Central American capitals as an official US point of view. Of itself, such a fear would certainly be valid, but CIA can only assume that material classified SECRET will not be divulged. The security problem involved obviously bears no relation to the intelligence produced.

CASE # 14

ORE 76-49: "Survival Potential of Non-Communist Regimes in China" (In preparation)

- 1. The central point in this case concerns the apparent failure of Air to understand the nature of the coordination process as it is carried out at present. A draft of this paper was sent to the several agencies for comment on 7 September. It was clearly stated in the covering memorandum that a revised paper would be later circulated for formal concurrence or dissent only. It was apparent at the meetings held on 15, 16, and 20 September, however, that all those concerned in Air had not yet completely reviewed the paper and prepared their comments on it. The Air representative appeared himself somewhat less than familiar with the paper and with the official Air attitude toward it, and specifically requested an intermediate "edition" of the paper, to be circulated for further comment as a result of the meeting, before formal concurrence or dissent was requested. It was not feasible, as he indicated, given the present organization of Air Intelligence, for all those concerned to comment upon the draft in the time allowed. It was evident also that he did not have the necessary powers with respect to this paper to represent adequately an official Air Force position on it.
- 2. The character of Air disagreement with the paper, while productive of a number of changes which no doubt improved the paper, was indefensible in an intelligence organization. The Air position appeared to be that the paper was too pessimistic on the survival potential of the several regimes discussed. The suggestion was seriously advanced by the

Air representative, that, since error in estimates was inevitable, such error should be consciously slanted in an optimistic direction.

- 3. On the final day of the discussion of this paper, the State representative remarked that the paper as it stood had been "cleared with the policy desk." The implication here was obvious: so long as the appropriate policy desk had approved the paper, OIR was satisfied, and would concur. On the other hand, had there been disapproval by the policy desk, it was equally clear that the attitude of OIR would have been substantially different.
- 4. At this writing (28 September) ORE 76-49 is being prepared for final, formal coordination.

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**CASE # 15** 

ORE 45-49: "Probable Developments in China" (Published 16 June 1949)

- 1. The need for ORE 45-49 arose out of an IAC meeting of 20 May 1949 at which the Director of Central Intelligence offered to have a paper prepared on the subject. The resultant request from the DCI was naturally taken as urgent by ORE which planned on completion of the paper by about 8 June which was theoretically quite feasible. Some of the reasons why 17 June was the actual dissemination date, may be gathered from Encs. A and B. There was every reason to believe that after the meeting of 2 June all agency experts were in agreement on the paper. The abrupt change in the State attitude dating from about 10 June is believed to have taken place after consultation with the State policy deck.
- 2. Enc. A sets forth some of the chronological steps by which ORE 45-49 was coordinated; Enc. B, an extremely informal account of efforts between 10 and 14 June to discover what State was planning to do and when ORE might have a formal statement, is included verbatim because it is believed to show certain practical difficulties of coordination and possibly to reflect an effort on the part of the State policy desk through OIR, either to suppress or to revise the paper.

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# Enclosure A to Case # 15 CHRONOLOGY

ORE 45-49: "Probable Developments in China"

- 31 May 1949 Draft sent to IAC Agencies
- 2 June 1949) Meeting with IAC Representatives
- 7 June 1949 Revised draft sent to IAC Agencies with deadline 1200, 10 June
- 10 June 1949 Oral concurrence without comment from Army
- 13 June 1949 Concurrence without comment from Air
- 13 June 1949 Concurrence without comment from ONI
- 13 June 1949 Oral concurrence with comment from State; later changed to dissent
- 14 June 1949 Written concurrence from Army
- 14 June 1949 Dissent received from State
- 17 June 1949 Disseminated

Enclosure B to Case # 15

ORE 45-49: "Probable Developments in China"

# Friday, 10 June (Approx. times)

- 1030 Mrs. Bryson, secretary to Mr. Dunn, Chief, Intelligence
  Coordinating Staff, OIR, called stating that comments
  on ORE 45-49 had come in and that they appeared to
  constitute the basis for a dissent.
  - I inquired if Mr. Dunn was back from Flushing Meadows (UN) and was told Yes, but that he had just returned and was not yet back in the "harness." I then asked for Mr. Barnard, Mr. Dunn's assistant, and was told he would be out all day.
- 1100 Called Col. Booth, Office of Special Assistant to Sec. State for Research and Intelligence, but unable to reach him.
- 1215 Mrs. Bryson called on another matter and we in turn asked about progress of preparation of comment. She was unable to say whether or not we could expect a concurrence or dissent.
- 1400 Called Col Booth and asked him to check into matter. He told me he had been away for a few days and wasn't up on this project but would check. He suggested I call Dunn's office, and that possibly CIA Branch should contact OIR analyst.
- 1630 Galled Mr. Dunn's office and was told by Mrs. Bryson that
  Mr. Huntsberger. /cting Chief, DRF, was on active duty

with Navy, but would have to look over comments prior to their being sent up to Col. Booth's office. Presumably this would be done over the week-end.

1640 Tried to reach Huntsberger at Navy (OP-35) but unable to.

Monday. 13 June.

- O930 Called Huntsberger. He stated that over week-end OIR had decided to concur provided we made certain changes in accordance with comment. If not, he wanted us to publish State comment.
- 1100 Called Mr. Dunn. Discussed pros and cons of publishing a comment that was not a dissent. He indicated that State did not want to dissent, but unless we published their comment, State would be forced to.
- 1415 Mr. Dunn called and stated little headway had been made.

  I informed him we would go to press without State comment if it were not received by end of day.
- 1615 Mr. Dunn called and gave us State dissent over the telephone, but Col. Booth had to confirm.
- 1640 Col Booth called and vetoed Mr. Dunn's wording. Stated a written statement would be forthcoming the following morning.

# Tuesday, 14 June

1030 State written dissent received. Almost identical with what Mr. Dunn had given us over the telephone.

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CASE # 16					
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ORE 17: "The International Economic Position of (Published 31 May 1947)

- 1. This case offers a prime example of the subordination of technical substantive concurrence in a paper to other considerations outside the scope of intelligence coordination. The following points are of the greatest significance:
- a. There was inexcusable delay in OTR's formal coordination of this paper. Although IFI/OTR comment on the initial draft was prompt and indicated general concurrence Enc. 1, para. 4), formal dissent was not received until eight weeks after the circulation of a draft revised to take IFI/OTR comments into account.
- b. Although the qualified personnel in IFI/OIR had indicated substantive concurrence, and although their comments were taken into account in the draft prepared for formal concurrence, the ultimate OIR position was one of dissent, a reversal which took place after intent to concur had been informally communicated to ORE (Enc.A, para. 5). Meetings which reviewed the revised OIR dissent gave hope for agreement and concurrence, but the qualified personnel who participated in these meetings found their position repeatedly reversed Enc.A, para. 9).
- g. The initial dissent filed by OIR was "totally unacceptable for publication" (Inc.A, para. 6) being couched in offensive tone and devoid of constructive criticism and any positive statement of the OIR position.

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2. While it can only be surmised, in the absence of positive proof, the coincidence of events supports the inference that the reversal and delay in the coordination of this paper were designed to delay the appearance of ORE 17 until an OIR paper on a similar subject had come out (Enc.A, para.10).

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Enclosure A for Case # 16

Excerpts from Memo to AD/CRE from Chief, Tatelligence Staff, ORE dated 5 August 1947

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Subject:	ORE 17,	"The	International	Economic	Position	

- 2. The project was conceived some seven months ago. Its development was delayed by the very meagerness of relevant data then available in the I.A.B. agencies. Preparation of the initial draft required extensive inquiry in the State Department's Office of Financial and Development Policy, the Treasury Department, and the Department of Commerce. In these circumstances, however, it seemed all the more important that C.I.G. produce a well-founded and broadly based intelligence estimate on the subject.
- 3. The earliest draft prepared by the Economics Group is dated 25 February. This draft constituted the basis of further discussion leading to a revised draft dated 10 April.
- 4. In view of the difficulties which subsequently developed with OIR, it should be recorded that the 10 April draft was submitted to the Chief, IFI (the economics division of OIR) for comment, and that on 16 April he submitted in writing his own comments and those of DRE (the cognizant regional division of OIR). Those comments, by the appropriate spokesmen for OIR in working-level coordination, indicated general concurrence in the ORE draft and in no way foreshadowed the subsequent

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dissent by SA-E. A further revision in the light of these and other comments resulted in a draft dated 30 April.

- 5. The 30 April draft was submitted to the Intelligence Staff, which by 5 May returned it to the Economics Group for revision in certain particulars. This revision was completed by 20 May, when the final version was submitted to the designated representatives of the I.A.B. agencies for final, formal coordination in accordance with C.I.G Administrative Order No. 32. By 27 May ONI, G-2, and A-2 had concurred. Being advised by telephone that OIR also concurred, subject to a few minor suggestions, the Projects Division recorded the project as completed on 31 May and gave the text that date.
- 6. On <u>A June</u>, while in OIR on other business, I learned accidentally that OIR was actually advising SA-E to dissent, Because of the involved procedure for State Department action in such cases the substance of the dissent was not available to us until <u>10 June</u>. The dissent was totally unacceptable for publication, being replete with misrepresentations of our estimate (quotation out on context, misquotation, etc.), offensively patronizing in tone, and generally devoid of constructive criticism or of any positive statement of the OIR position.
- 7. I immediately requested a conference with OR in order to eliminate the dissent through discussion and agreement or at least to obtain a clearer and more informative statement of it, fit for publication.

  OIR, however, would not confer with us until 23 June. Meanwhile, on 20 June,

the text, dated 31 May, was sent to Reproduction with a view to expediting its eventual publication, considering the time already lost.

- 8. At our conference with OIR on 23 June we were handed a completely revised dissent, much less offensive than the original, but equally unclear as a definition of the issue or as an affirmative statement of the OIR position. After discussion OIR requested time to revise the dissent again in consultation with our Reonomics Group, promising prompt submission of a final version.
- 9. From 23 June onward the Foonomics Group met frequently with representatives of OIR. These meetings gave promise of eliminating the SA-E dissent altogether, for in direct discussion the technical specialists of ORE and OIR were able to reach tentative or virtual agreement. The OIR representatives, however, were never able to obtain the approval of OIR for any formula of agreement proposed, and so were continually obliged to reopen the discussions on some new tack. This constant shifting of ground prevented any constructive accomplishment. After three weeks it was apparent that further discussion was futile. The final version of SA-E dissent, received on 14 July, was substantially identical with that of 23 June.
- 10. By hindsight it appears that there never was, after 2 June, any real prospect of obtaining OIR concurrence in ORE 17. It is pertinent to inquire why OIR reversed its position between 31 May and 4 June, and why it subsequently stalled off for seven weeks the publication of ORE 17. No provable answers can be given to those questions, but the following considerations provide a basis of fair inference:

a. Our earlier, working-level coordination had been with economists of OIR - the Chief of IFI and a DRE economist. They were, apparently, disposed to concur as late as 31 May. But the author of the dissent was the Chief of the \_\_\_\_\_\_\_ of DRE, who had been away, returning on or about 2 June. He is not himself an economist; it is evident in his dissent that his concern is with political rather than economic aspects of the subject.

b. The delay from 4 June to 23 June is attributable to the fact

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its own estimate for incorporation in the SWNCC Country Study on the

It is fair to say, I believe that that paper, as

first drafted, gives evidence of being not so much an objective

intelligence estimate as an effort to "sell" a predetermined line

of policy. This same tendency is evident in the several versions

of the SA-E dissent from ORE 17.

g. From 23 June onward an OIR concurrence in ORE 17 would have been inconsistent with the position to which OIR had committed itself in the SWNCC Country Study. Thus OIR was obliged, for political reasons, to disallow every tentative agreement with us reached by its own technical experts in substantive discussion. This does not explain, however, why OIR did not produce promptly a clearcut dissent, so that the publication of ORE 17 could proceed. The evident state of disagreement within OIR, and the consequent difficulty of drafting such a dissent, may be a sufficient explanation. I feel justified in suspecting,

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however, a more or less premeditated effort to protect the estimate referred to in <u>b</u> above by preventing the publication of ORE 17 until SWNCC had acted on its Study.

11. The data on which the OIR position was based were revealed to us when the SWNCC Country Study was referred to us for comment. The Economics Croup, in oral comment before a SWNCC subcommittee, was then able to point out elementary errors in OIR's calculations, which the OIR representatives present were obliged to acknowledge. The subcommittee undertook to revise the paper in the light of our comment. Thus, although OIR did delay the publication of ORE 17 for seven weeks, it did not thereby succeed in imposing its unilateral view on SUNCC, if such was its purpose.

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CASE #17

Summary of Coordination of Earliest ORE Productions

1. Appended are excerpts from a report of the first twenty ORE publications on which formal coordination was attempted. It can be seen from the date of the report (h August 1947) that the events recorded occurred before ORE and the IAC agencies had any but the most general directions as to what constituted coordination or exactly how it was to be accomplished. A review of the record, however, will show that, in general, much the same difficulties were encountered with the agencies as have been experienced since December 1947 when the first of the coordination directives was issued. It could even be said, still in general, that results in the pre-directive period were on the whole better than those obtained later. For example, SR-1 was coordinated in eight days; SR's 2 and 3 in twelve spiece. In more recent months no such speedy coordination has been possible.

It is thought that this contrast may serve as an indication that the agencies have tended to observe regulations only when they have found it expedient to do so.

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Enclosure A to Case # 17

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# Excerpts from Memorandum entitled TIME REQUIRED FOR FINAL COORDINATION WITH DEPARTMENTAL AGENCIES UNDER EXISTING PROCEDURE

Dated 4 August 1947

Since the publication of C.I.G. Administrative Order No. 32, twenty C.I.G. reports and estimates have been submitted to the process of final, formal coordination prescribed therein. The procedure followed in each case and the time required to complete it are set forth below. Experience shows that, even with thorough prior coordination on the working level, two weeks are normally required to obtain final action on the formal level. The range of our experience in that respect has been from 5 days in the first and best case to 55 days in the worst case, the average being 17 days and the median 14 days.

The differences in the performance of the several agencies in this respect are indicated in the following tabular statement:

	SA-E	<u>G-2</u>	O.N.I.	<u>A-2</u>
Median	11 days	8 days	8 days	7 days
Average	14 *	<b>JJ</b> 8	9 #	8 <b>n</b>
Extreme	55 <b>#</b>	27 *	17 "	1), 17

1. O.R.E. 7, Chinese Minorities in Southeast Asia. This estimate had been thoroughly coordinated on the working level prior to its submission to the departmental representatives on 27 November, on 2 December they met with the Intelligence Staff to act on it, concurring without

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change. Elapsed time in final, formal coordination (without substantive effect): 5 days.

At this meeting the departmental representatives took the position that any substantive coordination must be effected on the working level and that final clearance through them should be accomplished by an exchange of memoranda.

- 3. O.R.E. 1/1. Revised Soviet Tactics in International Affairs.

  Shortage of manpower in the EE/USSR Branch prevented specific coordination of this text on the working level prior to its submission.
  - 19 Dec. Submitted to departmental representatives.
  - 2 Jan. Concurred in by all except SA-E.

The SA-E representative submitted, as "substantial dissent," a sevenpage memorandum of comment to him from DRE. ORE was able to meet most
of these comments by slightly rephrasing its text without substantial
change. Others it could not accept, and with respect to them it requested that the representative phrase SA-E's dissent for publication,
as the memorandum did not do. He was disposed to insist that ORE must
change its text with respect to each point of comment, or else phrase
the dissent itself, being willing to accept ORE's working in either
case. Ultimately ORE had to insist upon either a concurrence or an
explicit dissent by him.

6 Jan. - SA-E representative concurred in text as modified by ORE (without substantial change).

Elapsed time: 18 days.

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4. O.R.E. 10, Forthcoming Elections This estimate was based on written estimates obtained from OIR (DRA) and G-2. In view of that fact, and of the fact that the election was only 12 days away, ORE had resort to the escape clause in paragraph 4, C.I.G. Administrative Order No. 32.

24 Dec. - Submitted to departmental representatives and simultaneously sent to press.

27 Dec. - Concurred in by all except SA-E.

2 Jan. - "Substantial dissent" by SA-E.

5 Jan. - Election

The SA-E dissent was substantial only insofar as it contradicted the advice from OIR (DRA) on which the C.I.G. estimates had been based.

ORE was unwilling to publish it as ORE 10/1 inasmuch as

- a. Reproduction could not be completed before the election, after which the entire subject would be without significance.
- b. State would thereby be permitted to repudiate its own share of responsibility for the conclusions reached in ORE 10.
- c. State's comment was essentially negative rather than constructive. It condemned the C.I.G. estimate without stating any different estimate.

The solution agreed upon was to collaborate on a new estimate of the post-election situation. As yet, however, it has proved impossible to obtain adequate information on which to base such an estimate.

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6. O.R.E. 13/1. The Situation In view of the experience recited in paragraphs 2-5 above, of oral instructions not to call
on the Departments for research support, of oral instructions to resort
to paragraph 4 of C.I.G. Administrative Order No. 32 rather than accept
undue delay in the publication of estimates, and of the imminence of
the Moscow Conference, this estimate was sent to press without prior
coordination.

20 Feb. - Submitted to departmental representatives and simultaneously sent to press.

28 Feb. - Concurred in by all except SA-E.

3 Mar, - "Substantial dissent" by SA-E.

The SA-E dissent was, essentially, not a contradiction of the substance of the report, but a complaint that it was not sufficiently broad in scope and consequently misleading. The dissent was intemperate in tone, and negative rather than constructive, in that it condemned the C.I.G. estimate without giving OIR's opposing estimate of the situation. After direct consultation, OIR waved its demand for publication of the dissent and ORE agreed to collaborate in the preparation of a report of the scope desired by OIR. It is now agreed that the forthcoming Situation Report on Austria will satisfy this commitment.

<u>25X6A</u>	14,	ORE 17 - The International Economic Position of the  This estimate has been thoroughly coordinated on the working	
leve	el.		

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- 20 May Submitted to departmental representatives.
- 28 May Concurrences received from ONI, G-2, A-2.
- 10 June SA-E dissent received.
- 23 June- Direct conference with OIR on dissent, at which a revised version thereof was received. (This was the earliest date at which OIR would confer.) After discussion, OIR requested time in which to revise dissent again.

The SA-E dissent was surprising, inasmuch as we had obtained the comments of IFI and DRE, the cognizant divisions of OIR, in terms which in no sense foreshadowed it. Apparently it was a consequence of personnel changes in OIR and of the fact that OIR had meanwhile submitted to SWNCC an estimate contradictory to the position it had taken in consultation with us. Between 23 June and 14 July the Economic Group endeavored, in frequent conference with the new representative of OIR, to obviate the dissent or at least to obtain its statement in clear and relevant terms. This effort was unduly prolonged by the constantly renewed prospect of early agreement, but the final formulation of SA-E dissent was substantially identical with that of 23 June.

Ili July - Final formulation of SA-E dissent received.

Elapsed time: 55 days.

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